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UNCLAS SECTION 01 OF 02 LAGOS 001397

SIPDIS

SENSITIVE BUT UNCLASSIFIED - HANDLE ACCORDINGLY

DOE FOR DAS JBRODMAN AND CGAYE  
TREASURY FOR ASEVERENS AND SRENANDER  
DOC FOR KBURRESS  
STATE PASS TRANSPORTATION MARAD  
STATE PASS USAID FOR GWEYNAND AND SLAWAETZ  
STATE PASS EX-IM FOR JRICHTER AND KVRANICH  
STATE PASS OPIC FOR ZHAN AND JEDWARDS  
STATE PASS TDA FOR NCABOT AND BTERNET

E.O. 12958: N/A

TAGS: [ELAB](#) [EPET](#) [KDEM](#) [PGOV](#) [NI](#)

SUBJECT: NIGERIA: STRIKE PLANS FIZZLE

REF: A) LAGOS 1377 B) LAGOS 1376 C) LAGOS 1350

Summary

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1. (U) The Nigerian Labor Congress (NLC) cancelled plans to initiate a nation-wide strike on September 7 in response to the recent fuel price increase (see ref A). Apparently, the NLC encountered resistance or foot-dragging within organized labor. Instead, the NLC now will organize a series of non-violent protest rallies in major state capitals, beginning September 14 in Lagos and continuing throughout the month. The NLC will meet in early October to reassess the situation and decide on future activities. This strategy shift demonstrates NLC's frustrations in mobilizing consensus among labor organizations and indicates that Nigerian labor and civil society groups are progressively losing their enthusiasm with fuel-price-related strikes. End Summary.

Informational and Inspirational  
Rallies to Replace Strike

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2. (U) After marathon meetings September 5 with 35 separate civil society organizations and trade unions, the NLC cancelled the strike planned for September 7. The new plan calls for a nine-city schedule of mass rallies intended to fix government attention on the widespread, popular dissatisfaction with the fuel price increase and government decision-making in general. The Lagos rally will take place September 14, with additional rallies planned in Kano (Sept 16), Maiduguri (Sept 20), Benin City (Sept 22), Asaba (Sept 23), Umuahia (Sept 26), Ibadan (Sept 28), and Jos (Sept 30). There are no rallies planned in the two states that have seen violence related to the fuel price increase.

NLC No Longer Leader of the Labor Union Pack

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3. (SBU) The Trade Union Congress (TUC), the umbrella organization for senior staff workers, is likely to gain government recognition within the next two days as a parallel central labor organization and a peer to the NLC, whose membership are the rank-and-file laborers. The TUC is treading very carefully at this time so as not to endanger its imminent recognition. Instead of advocating strikes, the TUC is therefore writing communiques protesting the government's economic policy but also imploring government to implement palliatives to price increases, like increased wages and increased refinery capacity. John Odah, NLC General Secretary, reflecting NLC's frustration at the TUC nudging in on what had been the former's exclusive domain, vociferated that the TUC was "not completely competent" to make a strike happen and doubted their "ability to follow-through."

4. (SBU) Representatives of both the senior oil workers' union, PENGASSAN, and the rank-and-file version, NUPENG, endorsed the TUC's more incremental position. For a strike to succeed, the cooperation of the petroleum workers' unions to close ports, airports, and major production centers is needed, but right now the level of cooperation between the unions is ebbing. PENGASSAN, for instance, does not believe any of the previous strikes called by the NLC have been effective in arresting price increases or in ameliorating the work environment.

Industry Argues for Higher Price;  
GON Holds Firm at 65 Naira/Liter

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5. (U) Petroleum marketers believe the current fuel price of 65 naira/liter is still too far below international market

prices. They see a 72 naira/liter price as more realistic. They believe fuel will still be scarce at the 65 naira level and result in fuel scarcities in parts of Nigeria. Numerous marketers walked out on discussions conducted by the Mantu Committee (the special Senate committee responsible for recommending palliatives to buffer the dislocations caused by fuel price increases), frustrated their advice on pricing had gone unheeded.

16. (U) In a September 1 letter to the NLC-led Labor and Civil Society Coalition (LASCO), the GON incorporated many of the arguments used by marketers and employer groups to defend the price increase. It appears the government will play hardball with regard to compromise on the new 65 naira/liter price.

Comment

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17. (SBU) Organized labor is finding it harder to organize a strike. The public appetite for a strike has waned and rifts between labor organizations are evident. None of the major labor organizations involved were completely happy with the results of Monday's meetings, with NLC representatives arguing the rallies would not lead to the GON changing its position. The TUC hopes to buy time to continue efforts to persuade the Presidency to reverse its pricing decision and cause as little economic pain as possible for the average worker and family. NLC's current acceptance of the Mantu Committee can be seen as a conciliatory position; NLC leaders had previously boycotted Mantu deliberations, asserting the committee had not gone far enough to protect workers. Conversely, it can be viewed as a signal of labor weakness in being able to muster a political alleviation to GON designs. In any event, the more labor delays the strike date, the less likely a strike will be. With each passing day, people will tend to see the increase as a fait accompli and will see strike action as futile. The latest round, thus far, has shown that government has gotten the upper hand over labor on price increases and possible strike action. End Comment.  
BROWNE